



GRAIN TRANSPORTATION REPORT

Agricultural Marketing Service
United States Department of Agriculture



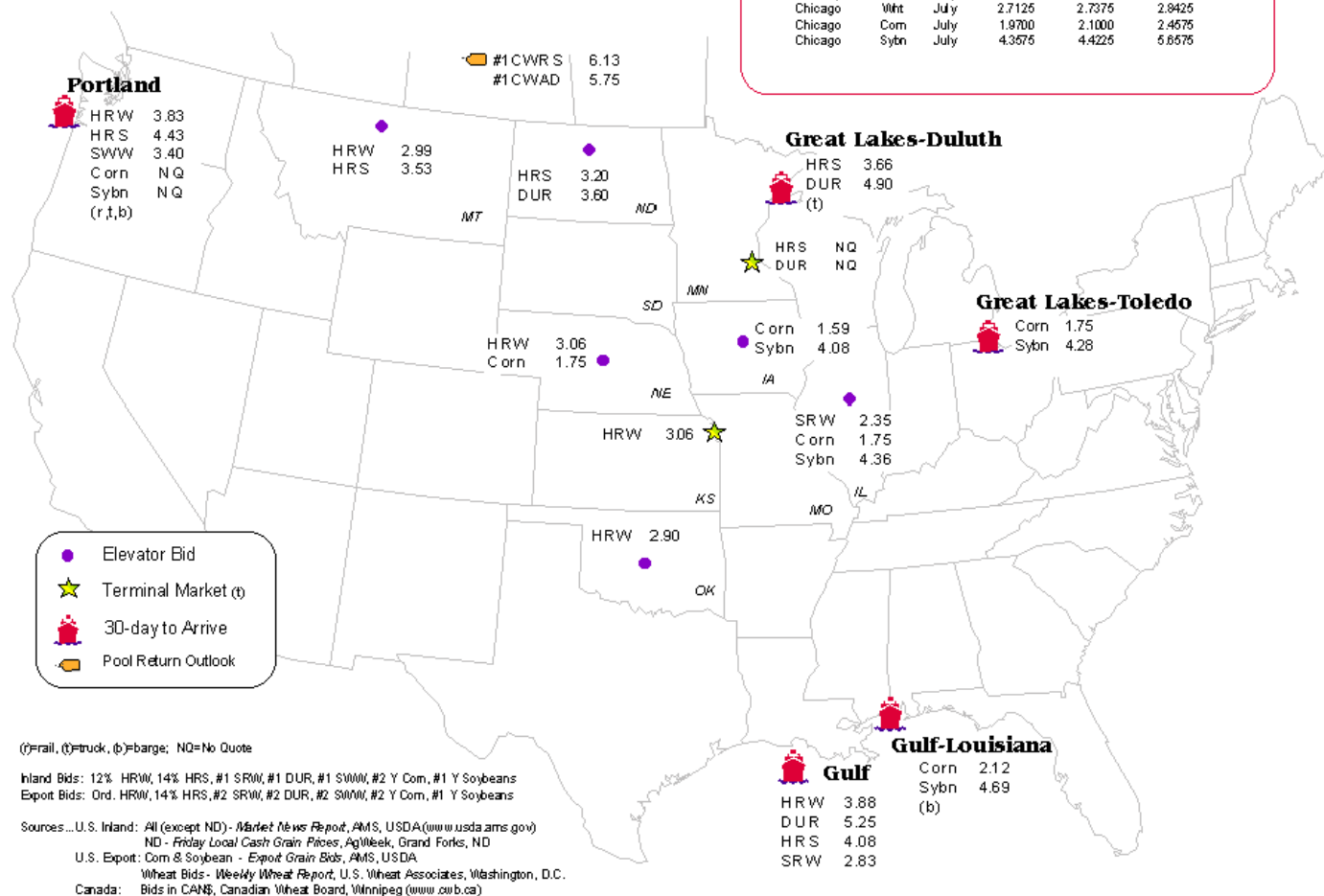
MAY 15, 2001

Mississippi River Continues Slow Fall. Improving water level conditions along the Mississippi River have, to date, allowed the U.S. Army Corps of Engineers (Corps) to open Locks and Dams (L/D) 1 through 11, while others down river are scheduled to open no later than May 22. The U.S. Coast Guard followed suit by opening this portion of the river for traffic, with additional openings continuing through May 22 when L/D 20, at Canton, MO, is scheduled to be the last to reopen. "River levels have not receded at the level expected," said Justine Barati, a Corps spokesperson. Reopening dates for several locations were delayed for 1-3 days, according to the Corps, as recent storms kept the water level at or above flood stage. The Coast Guard, likewise, allowed that stretch of river to be opened to traffic. Weather forecasts through the weekend for the upper Mississippi River region indicates a chance for showers and thunderstorms in the lower end of St. Louis, MO, to mostly dry and clear conditions to the northern area of Minneapolis-St. Paul, MN, with only a chance of showers and thunderstorms on Sunday into Monday. These mostly clearing conditions will likely expedite the opening of the remaining locks and dams and the resumption of river traffic, or at least allow it to open as scheduled. Not only has flooding disrupted the lives and businesses of those along the river, it has also taken an economic toll on barge operators and, to a lesser degree, grain elevators down river, which depend on barge shipments to fulfill an export market. The barge company, American Commercial Lines LLC (ACL), Jeffersonville, IN, has had a disappointing first quarter, as its operating income was reduced from a gain of \$8 million for the first quarter of last year to a loss of \$10.4 million for the first quarter of this year, and its operating expenses increased from \$159.5 million in 2000 to \$183.5 million this year. Operating an expanded barge fleet, higher fuel prices, and ice-related repair and service costs significantly contributed to ACL's added expenses. "The historic cold weather in December of last year and the consequent buildup of ice on key river segments had a devastating impact on our ability to operate our barge fleet..." according to Mike Hagan, ACL's CEO. "Unfortunately, the second quarter will be affected by the continuing flood on the upper Mississippi," Hagan continued. "The floods delayed the opening of the Twin Cities to the latest point on record. This follows the earliest closure of the area in recent history. Nevertheless, we have reason to look for modest improvement next quarter if water levels subside and several market segments, particularly coal, bulk, and liquids, continue to show strong demand," Hagan said. Some grain traders report that having the commodities available at the Gulf for export is being complicated by the lock closures and slow selling on the part of farmers. This is especially the case for soybeans, as one trader mentioned. Others, however, have not noticed a particular problem in having grain available at export locations, other than that it may be arriving down river at a slower rate, as some traders mentioned. A more noticeable problem, they say, is obtaining the necessary ocean-going vessels on which to load the grain. (Reuters 5/11, <http://www.marinelong.com> 5/15, <http://www.mvr.usace.army.mil/navdata/icemiss> 5/16, <http://www.crh.noaa.gov> 5/16, USDA)

USDA Revises China Stock Estimates. China's first agricultural census, official statements, and price patterns have allowed USDA to recalculate Chinese grain data estimates for at least the past decade. The estimates are now more consistent with China's food policies, according to USDA. The latest data indicate that China's combined stocks of wheat, rice, and coarse grains for the 2000/01 marketing year are estimated at 230.1 million metric tons. This is roughly 61 percent of its annual domestic consumption and considerably higher than last month's USDA combined stock estimate for China of 66.1 million metric tons, or 17.3 percent of consumption. USDA notes China's tendency to hold large grain stocks "as insurance against catastrophic crop failures, regional imbalances, or other disruptions that could constrict food supplies or force heightened reliance on imports." Accordingly, USDA states, "there is no indication currently of tightness in China's grain market, even though combined output of wheat, rice, and corn in 2000/01 dropped 41 million metric tons from the previous year." Data provided by the United Nations' Food and Agriculture Organization (FAO) confirm the higher grain stock estimates. The USDA report notes that China's grain stock levels in relation to its annual needs are above those of many other countries or the levels for optimum security as recommended by the FAO. The revised USDA supply and demand estimates for each crop may be found at: <http://www.usda.gov/oce/waob/wasde/wasde.htm> (Reuters 5/10, Bridge News 5/10)

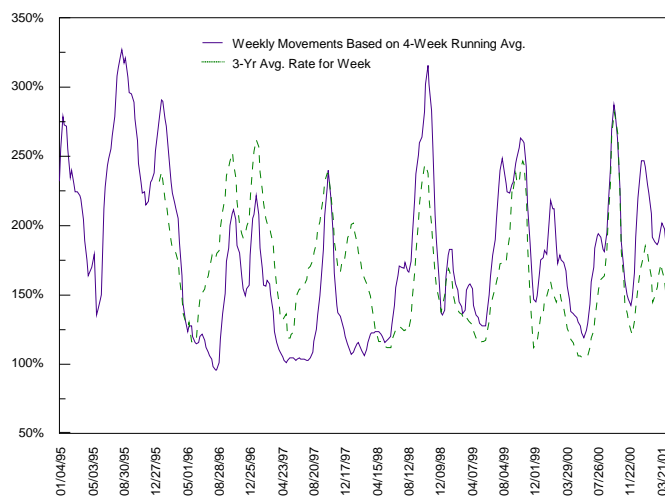
Minnesota State Senate Gets Behind Lock Improvements. The Minnesota State Senate on May 8 voted overwhelmingly to pass a resolution urging the U.S. Congress to authorize and fund longer locks on the Mississippi River. Minnesota's strong economic reliance on the agricultural sector, as well as the competitive advantage, comparative efficiencies, and fuel savings of barge traffic compared to other transport modes, makes the improvements vitally important. Barges carry 10 million tons annually of Minnesota's agricultural products. Several groups supported Minnesota's decision, including the National Corn Growers Association (NCGA) and the River Resources Alliance, a coalition of agriculture, transportation, commercial, and public interest groups. "This should send a clear message to Congress that the viability of farmers and the general economy of the Upper Midwest hinges on improving the efficiency of the Mississippi and Illinois Rivers," stated Minnesota farmer and NCGA member, Gerald Tumbleson (National Corn Growers Association, <http://www.ncga.com/news/notd/2001/May/051501.htm>)

Grain Bid Summary

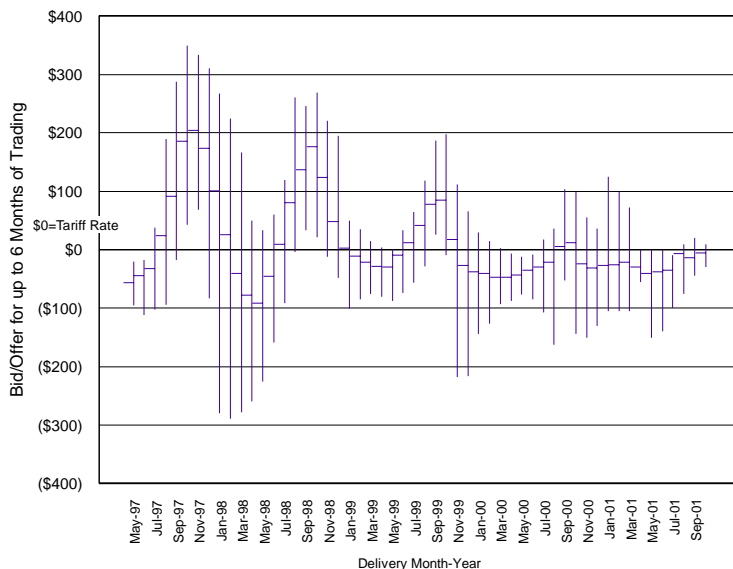


Spot Barge Rate - Illinois River

Index - Percent of Tariff Rate



Secondary Rail Market Bids



Rail Car 'Auction' Offerings

Delivery for:	May-01		Jul-01	
	<u>Offered</u>	<u>% Sold</u>	<u>Offered</u>	<u>% Sold</u>
BNSF-COT	12,143	6%	12,000	4%
UP-GCAS	5,400	2%	no offer	

Source: Transportation & Marketing /AMS/USDA; www.bnsf.com; www.uprr.com

Secondary Rail Car Market

Average Premium/Discount to Tariff, \$/Car - Last Week

	Delivery Period			
	May-01	Jun-01	Jul-01	Aug-01
BNSF-GF	\$(7)	\$(18)	\$(16)	\$(7)
UP-Pool	\$(30)	\$(38)	\$(35)	\$(26)

Source: T&M/AMS/USDA. Data from Atwood/ConAgra., Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.;

GF=Guaranteed Freight, GEEP=Guaranteed Eqpt. Exchange, Pool=Guaranteed Pool

note... bids listed are market INDICATORS only & are NOT guaranteed prices, missing value=No Bid Quoted

Railroad Car 'Auction' Results

Average Premium/Discount to Tariff, \$/Car - Last Auction

Delivery for:	Jun-01	Jul-01	Aug-01
COT/N. Grain	no bid	no bid	\$0
COT/S. Grain	no bid	no bid	no bid
GCAS/Region 2	no bid	no offer	no offer
GCAS/Region 4	no bid	no offer	no offer

Source: T&M/AMS/USDA. Data from www.bnsf.com, www.uprr.com, (COT=Certificate of Transportation; GCAS=Grain Car Allocation System)

Southbound Barge Freight Nominal/Cash Basis Values

Index=Percent of Tariff, Based on 1976 Tariff Benchmark Rate

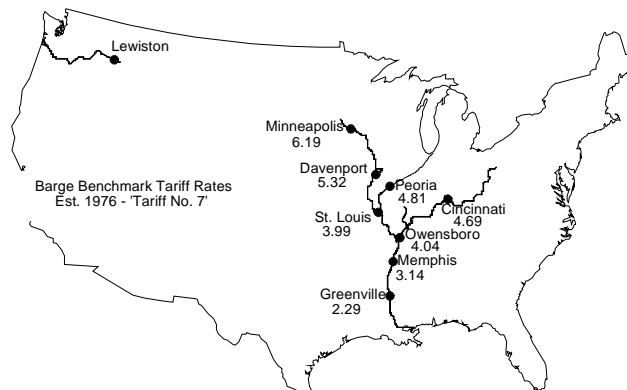
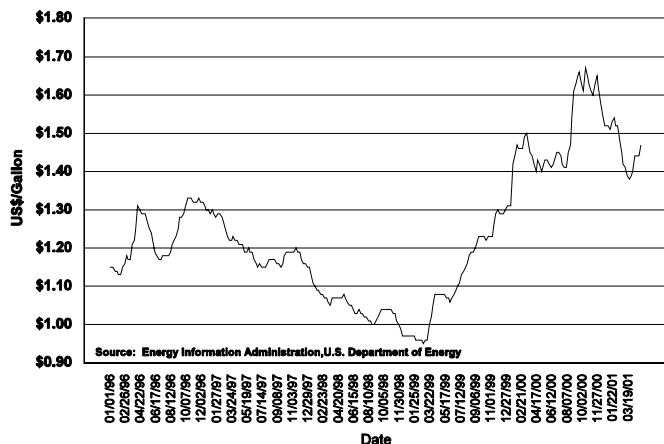
Week ended	River/Region	Contract Period	Rate	
			Futures	Cash
05/15/01	St. Louis	June	135	140
		Aug	156	165
		Oct	218	230
		Dec	141	0
		Feb	138	0
	Illinois River	June	153	170
		Aug	174	195
		Oct	240	250
		Dec	163	0
		Feb	0	0

Source: St. Louis Merchants Exchange

Southbound Barge Freight Spot Rates

	5/9/01	5/2/01	Jun '01	Aug '01
Twin Cities	0	0	200	221
Mid-Mississippi	170	162	168	192
Illinois River	136	140	157	183
St. Louis	112	110	126	166
Lower Ohio	116	121	134	177
Cairo-Memphis	107	108	121	164

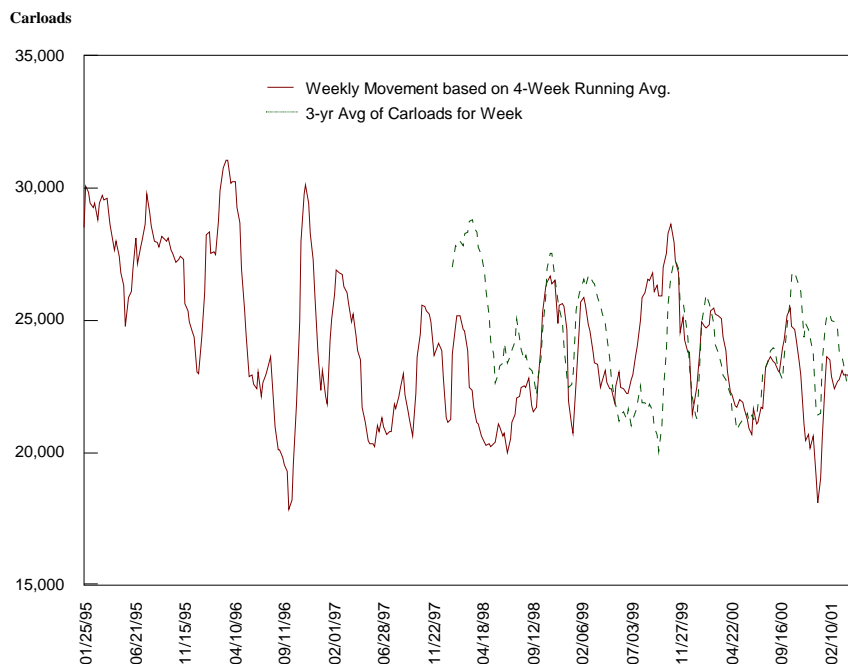
Source: Transportation & Marketing /AMS/USDA
nq=no quote;

Weekly Retail Diesel (Road) Prices (Including Taxes)

Grain Car Loadings for Class I Railroads

Class I Railroad Grain Car Loadings	
Week Ending:	Carloads
4/21/01	21,136
4/28/01	18,217
5/5/01	18,163
Year to Date - 2001	395,613
Year to Date - 2000	434,124
Total 2000	1,188,917
Total 1999	1,270,375

Source: Association of American Railroads



Class I Rail Carrier Grain Car Bulletin

Grain Carloads Originated

			East			West		Canada	
	Conrail	CSXT	IC	NS		BNSF	KCS	UP	CN CP
05/05/01	0	2,529	0	3,096	5,734	386	6,418	4,999	4,425
This Week Last Year	0	2,999	1,652	2,856	5,533	495	7,374	2,688	3,970
2001 YTD	0	57,312	0	56,531	152,946	8,406	120,418	86,753	82,127
2000 YTD	0	51,871	32,787	53,370	145,964	10,762	139,370	51,185	80,356
2000 Total	0	147,708	70,155	153,905	425,849	26,515	364,785	160,749	239,670
1999 Total	15,522	132,157	88,056	138,379	465,088	33,911	398,262	121,381	206,328

Source: Association of American Railroads

Tariff Rail Rates for Unit Train Shipments

May 2001

Date Effective	Tariff Item	Commodity	Origin	Destination	Rate Per Car	Rate Per MT	Rate/Per Bushel*
05/07/01	45560	Wheat	Minneapolis, MN	Houston, TX	\$2,050	\$22.60	\$0.62
05/07/01	43521	Wheat	Minneapolis, MN	Portland, OR	\$3,877	\$42.74	\$1.16
05/07/01	46540	Wheat	Kansas City, MO	Houston, TX	\$1,550	\$17.09	\$0.47
05/07/01	43586	Wheat	Kansas City, MO	Portland, OR	\$4,240	\$46.74	\$1.27
05/07/01	43581	Wheat	Omaha, NE	Portland, OR	\$3,905	\$43.04	\$1.17
05/07/01	31040	Corn	Minneapolis, MN	Portland, OR	\$2,900	\$31.97	\$0.81
05/07/01	31035	Corn	Kansas City, MO	Portland, OR	\$2,700	\$29.76	\$0.76
05/07/01	31040	Corn	Omaha, NE	Portland, OR	\$2,700	\$29.76	\$0.76
05/07/01	61180	Soybean	Minneapolis, MN	Portland, OR	\$2,680	\$29.54	\$0.80
05/07/01	61180	Soybean	Omaha, NE	Portland, OR	\$2,430	\$26.79	\$0.73
05/01/98	61180	Soybean	Omaha, NE	Portland, OR	\$2,780	\$25.23	\$0.83

Source: www.bnsf.com

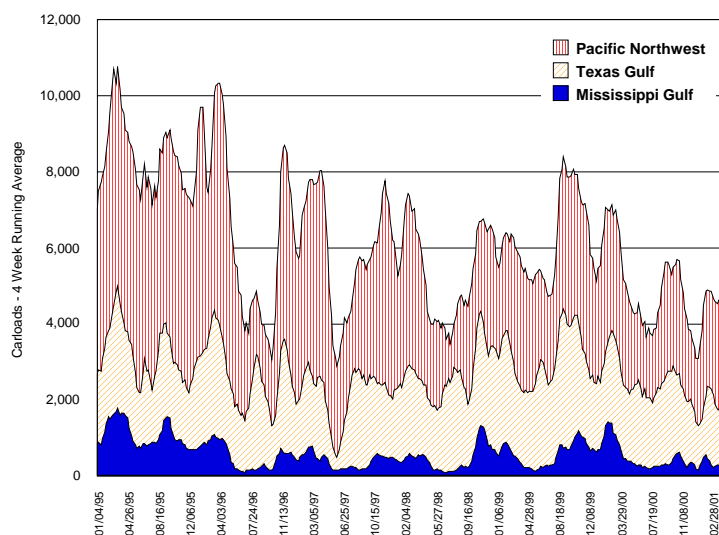
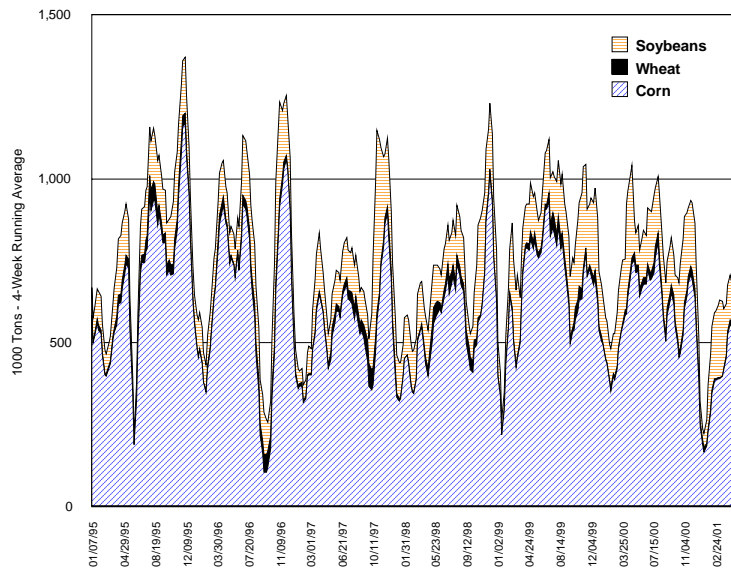
Approximate load per car = 100 tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

Rail Deliveries to Port**Carloads**

	Mississippi Gulf	Texas Gulf	Pacific Northwest	Atlantic & East Gulf
Week Ending:				
04/04/01	132*	1,227	2,833	407
04/11/01	8*	1,810	2,142	427
04/18/01	34*	2,176	1,736	225
04/25/01	29*	2,286	1,652	48
05/02/01	109*	1,502**	1,392	28
05/09/01	110*	1,479	1,356	118
YTD 2001	4,703*	30,443	45,298	12,806
YTD 2000	15,587	39,301	57,117	6,784
01/05/94	16	85	237	1,394
01/12/94	3	138	221	2,156
01/19/94				

(*) Incomplete Data

(**) Revised Data

Rail Deliveries to Port**Barge Movements - Locks 27****Barge Grain Movements**

for week ending 5/05/01

	Corn	Wht	Sybn	Total
	1,000 Tons			
Mississippi River				
Rock Island, IL (L15)	0	0	0	0
Winfield, MO (L25)	0	0	0	0
Alton, IL (L26)	412	0	59	471
Granite City, IL (L27)	437	1	57	496
Illinois River (L8)	403	0	45	448
Ohio (L52)	51	2	18	86
Arkansas (L1)	0	10	1	11
2001 YTD	9,027	657	3,615	14,092
2000 YTD	10,536	624	3,267	15,105
Total 2000	33,482	2,518	10,327	48,247
Total 1999	36,711	2,883	9,771	51,887

Miss YTD: Calendar year totals include Miss/27, Ohio/52 and Ark/1.

Source: U.S. Army Corp of Engineers; n/a=not available

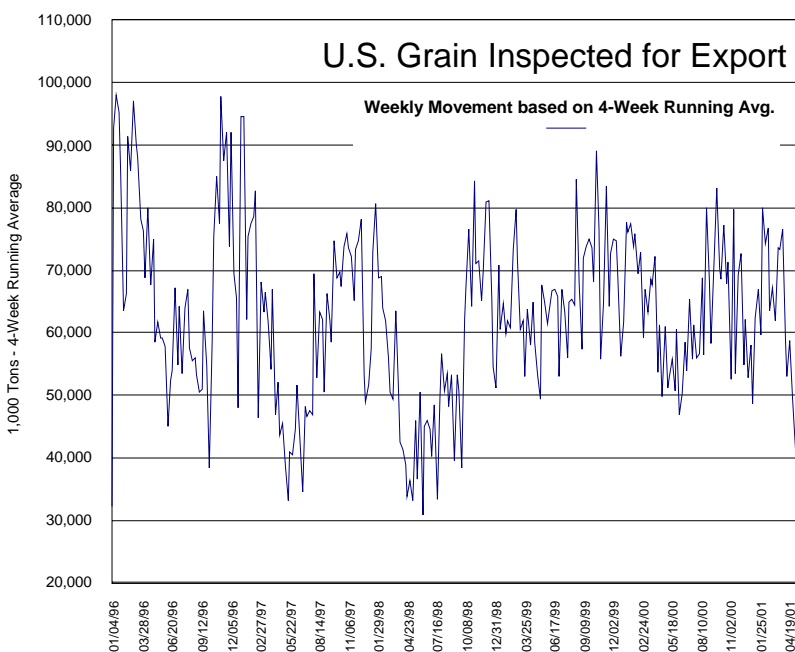
U.S. Export Balances (1,000 Metric Tons)

	<i>HRW</i>	<i>SRW</i>	<i>HRS</i>	<u>Wheat</u> <i>SWW</i>	<i>DUR</i>	<i>All</i>	<u>Corn</u>	<u>Soybean</u>	<u>Total</u>
<u>Unshipped Exports-Crop Year</u>									
05/03/01	858	491	693	447	152	2,640	5,482	2,261	10,383
This Week Year Ago	930	494	922	603	277	3,226	7,129	1,856	12,211
<u>Cumulative Exports-Crop Year</u>									
00/01 YTD	8,685	4,282	5,365	4,796	1,098	24,226	31,156	23,333	78,715
99/00 YTD	10,005	3,904	5,283	3,618	878	23,688	33,432	17,713	74,833
97/98 Total	9,858	4,710	6,305	5,413	1,232	27,518	37,220	24,516	89,254
96/97 Total	7,387	3,645	7,864	6,105	963	25,965	44,476	24,501	94,942

Source: Foreign Agricultural Service YTD-Year-to-Date (www.fas.usda.gov) Crop Year:Wheat=5/31-6/01, Corn & Soybeans=9/01-8/31**Select U.S. Port Regions - Grain Inspections for Export - 1,000 Metric Tons**

	<u>Pacific Region</u>			<u>Mississippi Gulf</u>			<u>Texas Gulf</u>		
	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>
05/10/01	169	0	0	81	524	187	126	0	0
2000 YTD	3,671	1,694	1,173	2,037	11,482	7,225	2,059	164	731
1999 YTD *	3,289	2,898	662	2,287	12,013	7,458	2,086	125	717
% of Last Year	34%	39%	180%	40%	37%	48%	28%	29%	52%
1998 Total	10,838	4,373	651	5,048	31,330	14,917	7,270	562	1,392

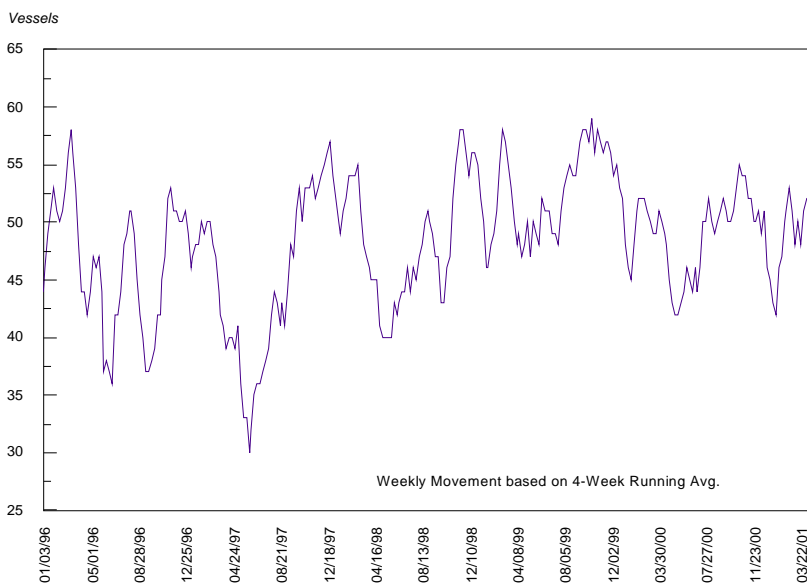
Source: Federal Grain Inspection Service YTD-Year-to-Date

**Select Canadian Ports - Export Inspections**
1,000 Metric Tons, Crop Year

	<u>Wheat</u>	<u>Durum</u>	<u>Barley</u>
Week Ended: 4/12/01			
Vancouver	4,041	349	936
Prince Rupert	1,502		0
Prairie Direct	896	226	331
Thunder Bay	490	171	36
St. Lawrence	1,827	1,410	25
2000 YTD Exports	8,756	2,156	1,328
1999 YTD Exports	10,154	2,406	1,174
% of Last Year	86%	90%	113%

Source: Canadian Grains Commission

YTD-Year-to-Date Crop Year 8/1-7/31



**Gulf Region
Vessels Loaded
- Past 7 Days-**

Port Region Ocean Grain Vessels

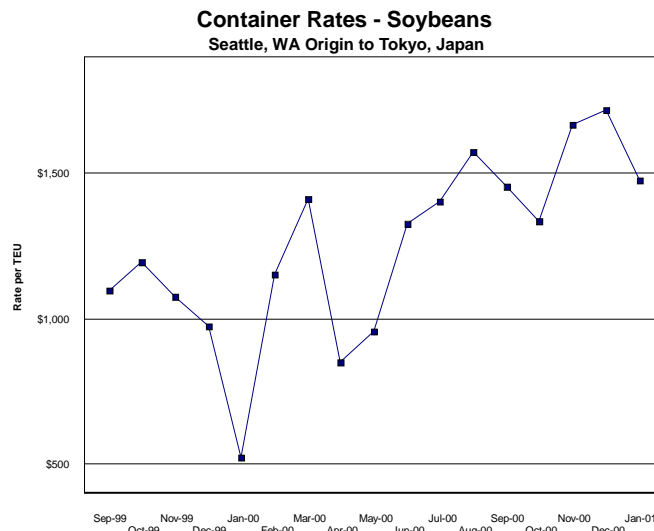
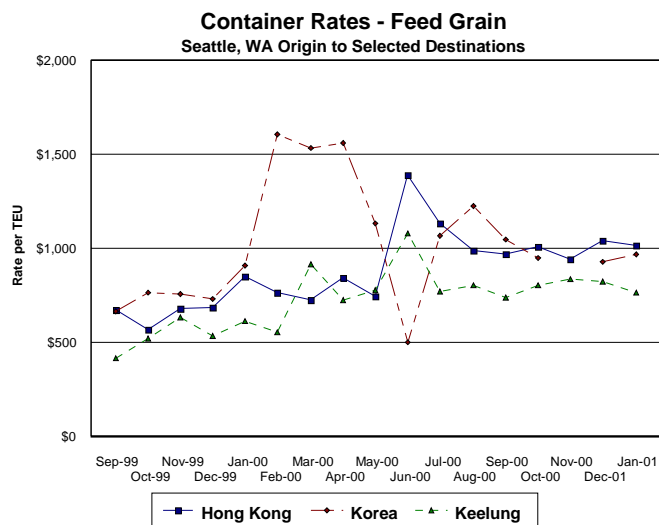
	Gulf			Pacific Northwest			Vancouver, B.C.		
	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>
05/03/01	25	42	46	8			16	8	3
05/10/01	18	39	52	7			13	12	4
1999 Range	(14..47)	(39..65)	(34..80)	(6..18)			(2..20)	(2..15)	(0..9)
1998 Range	(19..62)	(34..64)	(40..93)				(1..19)	(3..14)	(0..10)
1999 Avg	32	52	65				9	9	3
1998 Avg	40	48	61				10	9	3
1997 Avg	33	45	58						

Source: Transportation & Marketing /AMS/ USDA

Container Ocean Freight Rates

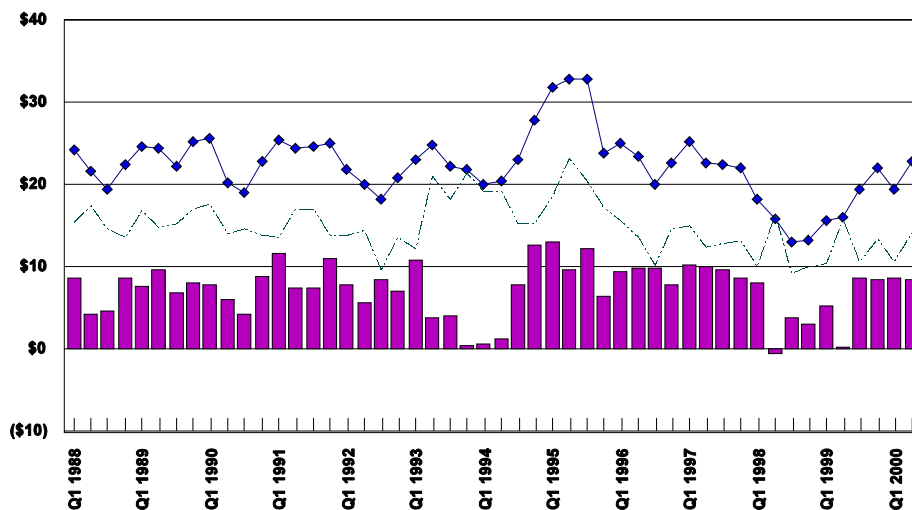
Monthly Weighted Averages Based on Shipping Line Monthly Mkt. Share

Source: Transportation & Marketing /AMS/USDA



◆ Rate - Gulf to Japan
 - - - Rate - PNW to Japan
 ■ Spread - Gulf vs. PNW to Japan

US\$/Metric Ton



Quarterly Ocean
Freight Rates

Quarterly Ocean Freight Rates

Average Rates & Percentage Changes, U.S. Dollars/Metric Ton - Basis

	2001 1 st Qtr	2000 1 st Qtr	% Change		2001 1 st Qtr	2000 1 st Qtr	% Change
Gulf to				Pacific NW to			
Japan	\$21.70	\$21.15	3%	Japan	\$16.36	\$19.93	-18%
Mexico		\$14.39		Red Sea/ Arabian Sea		\$21.38	
Venezuela	\$13.53	\$11.29	20%				
N. Europe	\$15.19	\$14.25	7%	Argentina to			
N. Africa	\$26.25	\$18.40	43%	N. Europe	\$16.47	\$17.67	-7%
				Japan	\$30.51	\$27.23	12%

Source: Transportation & Marketing/AMS/USDA; (*) rates shown are for metric ton (2,204.62 lbs.=one metric ton)

Ocean Freight Rates (Select Locations) - week ending 5/12/01

Export Region	Import Region	Grain	Month	Volume Loaded (Tons)	Freight Rate (\$/Ton)
Gulf	Europe	Grains	May 10/12	20,000	\$18.25
Tampa	Europe	Grains	May 15/25	20,000	\$18.00
Gulf	Russia	Meals	Prompt	30,000	\$21.50
Gulf	Indonesia	Heavy Grain	May 15/31	40,000	\$25.00
Mobile	Japan	Heavy Grain	Jun.1/10	54,000	\$24.00
PNW	Taiwan	Heavy Grain	May 28/Jun.4	56,000	\$14.00
PNW	China	Canola	May 16/23	55,000	\$14.50
Paranagua	Japan	Heavy Grain	May 18/30	43,000	\$26.25
Parana River	Yemen	Corn/Meals	May 11/15	20,000	\$34.00

Source: Maritime Research Inc.; rates shown are for long ton (2,240 lbs.=one long ton), F.O.B., except where otherwise indicated;
 op=option